

MANUAL TRANSMITTAL

Department
of the
Treasury

Internal
Revenue
Service

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PURPOSE

This transmits Chapter 5, Minimum Protection Standards, of new Handbook 1.16.8, Physical Security Standards, which replaces IRM 1(16)41, Physical and Document Security Handbook.

BACKGROUND

The IRM is being converted to a new format and style which will be issued in 8½" x 11" instead of the current 6" x 9" size. The new IRM Handbook includes simplified text, a new numbering system, and a new format for organizing text.

The transmittal reissues existing information in the IRM format and provides new guidelines on facility, property and information protection. It replaces text currently contained in IRM 1(16)41 which is obsolete.

NATURE OF MATERIALS

New IRM Handbook 1.16.8, Physical Security Handbook, provides guidance and procedures for the protection of information, property and facilities.

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5.1 (02/26/99)

Overview

- (1) The Minimum Protection Standards (MPS) system establishes a uniform method for protecting data and items which require safeguarding. This system replaces the Protection Point Value (PPV) system which was used in the past. This system contains minimum standards which will be applied on a nationwide basis. Since local factors may require additional security measures, management must analyze local circumstances to determine space, container and other security needs at individual facilities. The MPS has been designed to provide management with a basic framework of minimum security requirements which will provide greater flexibility in dealing with local conditions.
 - (2) This Chapter incorporates the MPS and procedures for using the MPS. The previous Chapters have incorporated the actual MPS procedures.
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5.2 (02/26/99)

Protected Items/Data

- (1) Items and data to be protected are divided into three groups:
 - a. Normal Security (NS) — All information which has not been identified as requiring High Security or Special Protection. Also documents, forms and equipment identified in Exhibit 1.16.8.5–2. Normal security items must be stored using one of the methods identified in Exhibit 1.16.8.5–1.
 - b. High Security (HS) — Items which require greater than normal security, due to their sensitivity and/or the potential impact of their loss or disclosure. Items designated as high security are listed in Exhibit 1.16.8.5–2. High security items must be stored using one of the methods identified in Exhibit 1.16.8.5–1.
 - c. Special Security (SP) — Items which require a specific type of containerization, regardless of the area security provided, due to special access control needs. This group of items is divided into three subcategories:
 - √ Level 1 (SP–1) must be stored in a safe or vault;
 - √ Level 2 (SP–2) must be stored in a security container or security room;
 - √ Level 3 (SP–3) must be stored in a locked container.
 - d. Exhibit 1.16.8.5–1 identifies storage requirements and Exhibit 1.16.8.5–2 provides a listing of protectable items and their security designations.
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5.3 (02/26/99)

Protection Methods

- (1) Available methods of protection include the use of secured perimeter and/or area space and/or containerization.

5.3.1 (02/26/99)

**Secured
Perimeter/Secured
Areas**

- (1) For purposes of providing protection, all space can be classified as either secured or non-secured.
- (2) Secured areas are perimeter and/or internal areas which have been designed to prevent undetected entry by unauthorized persons during non- duty hours. (Perimeter is the entrance to the IRS space. This could be a wall and door of a post-of-duty, multi-tenant situation or at the fence and gate line of a service center.) To qualify as a secured area, space must meet the following minimum standards:
 - a. Space must be enclosed by slab-to-slab wall constructed of approved materials and supplemented by periodic inspection; or any lesser type partition supplemented by Underwriters Laboratories approved electronic intrusion detection, or other approved protection methods (woven wire fabric of a least 10 gauge or heavier, chain link fence). Due to the complexity of intrusion detection systems, and the related specific annunciation/response requirement, review and approval by the Host Site Security office is required prior to implementation.
 - b. Unless electronic intrusion detection devices are utilized, all doors entering the space must be locked in accordance with requirements set forth in section 4.9.4(9) of this Handbook.
 - c. The space must be cleaned during duty hours or in the presence of a regularly assigned employee.
- (3) Space which does not meet the above criteria, cannot be considered as a secured area, since it does not provide adequate security for protected items.
- (4) Controlled areas can be established to control employee access between work areas during duty hours. A controlled area is an interior space which generally has walled construction with lockable doors, area intrusion devices or similar access controls (see Chapter 4 of this Handbook).

Exhibit 1.16.8.5-1 (02/26/99)
Alternative Chart

Protected Item Classification	IRS Perimeter Type	Interior Area Type	Container Type
Normal Security			
Alternative #1	Locked		
Alternative #2		Locked	
Alternative #3			Locked
High Security			
Alternative #1	Secured		Locked
Alternative #2	Locked	Secured	
Alternative #3	Locked		Security
Special Security			
SP-1	Locked		Safe/Vault
SP-2	Locked		Security
SP-3	Locked		Locked

*SP-2 and High Security, Alternative #3 appear to be the same. The difference is that SP-2 items ***"must"*** be stored in a locked container, whereas High Security items may be stored in a Security container, a secured room or in a locked container within a secured IRS perimeter.

Exhibit 1.16.8.5-2 (02/26/99)
Protectable Items

Designation	Item
SP-3*	Adverse Action and Adverse Action Appeal Files
NS**	All material, not classified as requiring high security or special protection.
HS***	All portable equipment which can be stored in a standard pull drawer or lateral file cabinet. This includes laptop computers, combination padlocks, cameras and similar highly portable items. (Note: Laptops can be secured using commercially available hardware designed to secure computers when not stored as required above.)
SP-3	Annual Listing of Undelivered Refund Checks
SP-2****	Ammunition
HS	Assault and Threat Reports
SP-3	Bills of Lading—Blank GBL's
SP-2	Checks Drawn on U.S. Treasury (except those endorsed to the IRS for the payment of taxes).
SP-3	Checks Received for Payment—including personal checks, cashiers checks, bank draft, money orders and U.S. Treasury checks endorsed to the IRS for the payment of taxes. (NOTE: In service center must be in secured area or containerized.)
HS	Classification Stamps — “accepted as filed” Classified Information—Top Secret/Secret/Confidential (see 1.16.31)
SP-2	Combination Records (Forms 700 for container doors)
SP-1	Combination Records (Forms 700 for safe and vaults)
HS	Coordinated Examination Records—including all open or closed project files, case files, correspondence, activity reports, and other material which contains taxpayer data or third party information acquired in connection with a planned, open or closed case
SP-1	Currency over \$1,000
SP-2	Currency up to and including \$1,000
NS	Currency Transaction Reports — Forms 4789
SP-2	Director's Seals
HS	Disclosure Records relative to disclosures made to Department of Justice, Executive Departments, or Congressional Committees
HS	Discriminant Function (DIF) formulas, program requirements packages and related materials
SP-3	Employee Underreporter Program/Cases

Exhibit 1.16.8.5-2 (Cont. 1) (02/26/99)
Protectable Items

Designation	Item
HS	Examination Records — those maintained at the request of Congressional Committees
HS	Examination Selection, Criteria and Formulas, Cycle Variables and Volume Controls
SP-1	Firearms (over 4)
SP-2	Firearms (up to and including 4)
SP-2	Four (IV) Phase Operator's Listing
SP-2	Four (IV) Phase C-Type Audit Trial Listing
SP-2	Four (IV) Phase Master List of System Users
SP-2	Four (IV) Phase Job Directory Listing
SP-2	Four (IV) Phase Change Requests (Form 6610)
SP-2	Four (IV) Phase Password List
HS	Fraud Referrals — all case files, correspondence, or related documents which contain information regarding items referred to Criminal Investigation
HS	General Ledger and Subsidiary Records —revenue accounting only
SP-3	All Government issued credit cards
SP-2***	Grand Jury—Case file and information
SP-3	Grievance Files and Grievance Appeal Files
SP-2	IDRS Passwords and Password Registers
SP-3	IDRS Security Handbook
SP-2	IDRS Security Records (including PRP's, reports, control documents, audit trail records and computer tapes)
SP-2	Identification Media (IRS) — all unused stock and completed media which is not in the possession of the employee to who it was assigned
SP-3	Identification Media (IRS) — completed non-photo visitor and temporary cards
SP-2	Informant Communications File
SP-2	Informants' Claims for Reward
SP-2	Informants' Control File
SP-3	Internal Security Records — including all open or closed investigative reports, informant files, and other material that contain investigative information concerning employees and/or taxpayers, or taxpayer data, third party information, tax data, or specific information concerning Service operations acquired in connection with a planned, open, or closed case.

Exhibit 1.16.8.5-2 (Cont. 2) (02/26/99)
Protectable Items

Designation	Item
SP-3	Internal Audit Records — including Internal Audit Reports and workpapers, open or closed, and other material containing tax data, taxpayer information, functional records and information concerning service center operations, acquired in connection with planned, open or closed audits.
SP-3	Internal Revenue Service Employee — delinquency
NS	Investigative Equipment — equipment specifically acquired and used by Criminal Investigation and Internal Security for carrying out investigation and enforcement functions.
SP-3	Key — to any locked container
SP-2	Key — to any room, area, secured area, or security container
SP-3	Law Enforcement Manual (LEM) (Normal Security will apply to service centers)
HS	Legal Case Files and Records of Chief Counsel, Deputies Chief Counsel, and their Assistants
SP-2	LIMITED OFFICIAL USE documents
HS	Magnetic Media — all discs, tapes or similar media which contain program, taxpayer or other individual data
SP-3	Medical Records — employee health records, disability retirement records, and similar files containing personal medical information
HS	Microfilm — all cartridges, cassettes or other microfilm media which contain taxpayer data or account information.
SP-3	Minority Group Designator Data
SP-2	Negotiable and Non-negotiable Instruments — including stocks, bonds, securities or other collateral
SP-3	OFFICIAL USE ONLY Documents (unless otherwise increased by the originator)
SP-3	Personnel Records — including personnel folders, investigation reports, qualification statements, and other records containing privacy act or sensitive information
HS	PRP 160, Section 26 (SERFE)
SP-2	Receipts — unissued Forms 809 (CP-444) or 4733 (CP-445)
NS	Received Stamps
HS	Received with Remittance Stamps
SP-2	Relocated Witness Files
HS	Risk Analysis Final Reports and associated supporting documentation

Exhibit 1.16.8.5-2 (Cont. 3) (02/26/99)
Protectable Items

Designation	Item
HS	Sensitive investigative equipment — devices that can be used in the interception of telephonic communications or non-telephonic communications
HS	Signature Stamps or Facsimile Signature Plates
HS	Statutory Notices — signature stamps or facsimile signature plates
SP-3	Form 6888, US Government Purchase Order—invoice voucher (unissued stock)
HS	Taxpayer and Privacy Act Information (due to the protection provided, service and computing centers are exempt from this requirement)
HS	Tax Practitioner File — including extension files
HS	TECS Data — which contains information regarding the involvement of Criminal Investigation with taxpayers of third parties
SP-3	Test Materials — OPM, IRS and commercial
HS	Testimony of IRS Employees in Non-tax matters
SP-3	Training Records — including individual ratings, examination record and register cards, and similar individual test result information
SP-3	Transportation Requests — blank and unissued TR's
HS	Unapplied Master File Credit Reports
SP-3	Undelivered Refund Check Notices
SP-3	Unidentified Remittance Record
HS	Unit Ledger Cards

*SP SPECIAL SECURITY

** NS NORMAL SECURITY

*** HS HIGH SECURITY

**** If volume dictates, these items may be stored in a security room as specified in Chapter 4 of this Handbook